Registered no: 6484632

Green Metals UK Limited

Annual report for the year ended 31 March 2019

Green Metals UK Limited

Annual report for the year ended 31 March 2019

Contents	**Page(s)**

Strategic report for the year ended 31 March 2019

The directors present their strategic report on the company for the year ended 31 March 2019.

Principal activities

The principal activity of the company is to collect, handle and arrange recycling of scrap metal and non-metal waste.

Review of the business and future developments

Company turnover was higher than expected mainly due to the increased scrap metal market price and increased sales volume to existing customers, although this was partly offset by lower than expected sales to new clients. The company made a profit before taxation of £ 1.9 million (2018: £ 1.6 million). Profit was better than expected, mainly due to higher than expected production at a major client resulting in more than expected scrap metal and non-metal waste volumes and, as a result of the higher overall profit margin for scrap metal. This was partly offset by lower than expected profit from business with new clients.

At the end of the year under review, the company was in a financially satisfactory and economically stable position, which continues to augur well for the future. The net book value of tangible fixed assets totalled £ 1.8 million (2018: £ 2.1 million) of which £ 1.7 million (2018: £ 1.8 million) is represented by buildings and £ 0.06 million (2018: £ 0.2 million) by plant and machinery mainly at the Burnaston operation. Total capital employed amounted to £ 3.8 million (2018: £ 3.8 million), financed by £ 2.0 million (2018: £ 2.0 million) called up share capital. A return on capital employed (ROCE) of 40.84% (2018: 33.63%) was achieved, based on profit for the financial year. The company has net current assets of £ 2.0 million (2018: £ 1.7 million) at the balance sheet date. The directors expect that the present level of activity will continue for the foreseeable future.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The principal risks and uncertainties can be determined as follows:

a) Potential loss of business due to strong competitor activity.

b) Potential reduction in gross margins due to customer pressure to reduce the cost of waste management services provided by the company and supplier pressure to increase prices for the recyclables they sell to the company.

c) The global market price for scrap metal (still at a relatively low level).

d) Uncertainty regarding the accuracy and stability of published price indexes used widely within the UK as a basis for buying and selling scrap metals ("Metal Bulletin" index).

The company has managed the above risks by the development of business with new customers and by negotiating acceptable purchase and selling prices.

On behalf of the board

T Iwata
Managing Director
15 November 2019

Green Metals UK Limited

Directors' report for the year ended 31 March 2019

The directors present their report and the audited financial statements of the company for the year ended 31 March 2019.

Future developments

These are detailed in the review of the business in the Strategic report on page 1.

Dividends

A dividend of £ 1,526,000 (£ 0.763 per ordinary share) will be proposed at the board meeting in October 2019 and if approved is likely to be paid in October 2019. A dividend of £ 1,595,000 (£ 0.798 per ordinary share) was paid for the year ended 31 March 2018.

Financial risk management

Financial risks within the company concern foreign exchange, credit risk and price risk. These are described in greater detail below:

a) Foreign exchange risk. Foreign exchange transactions and foreign currency holdings are controlled in such a way as to minimise the company's exposure to exchange variances. Foreign exchange variances can be either transactional or translational. Transactional variances are minimised by the purchase of forward exchange contracts.

b) Credit Risk. The company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed periodically by the Managing Director. For banks and financial institutions, only highly rated parties are accepted.

c) Price risk. Sales and purchasing contracts are based on the same commodity indexes, and this helps minimise price-risk. But the scrap metal index is occasionally "re-aligned" and this leads to the need for purchase and selling price renegotiation, and associated price-risk. The "Management fee" received from a major client is partly related to the varying market price of recyclables. The pricing risk associated with this management fee is normally less significant in the context of the overall business, but in 2018/19 the price of scrap metal was still relatively low, and this continued to impact the company.

Directors

The directors of the company during the financial year and up to the date of signing the financial statements, unless otherwise indicated, are listed below:

J Panes
T Iwata
I Deguchi

Directors' report for the year ended 31 March 2019 (continued)

Disclosure of information to auditors

Each of the directors confirms that, so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and that he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed at the annual general meeting.

On behalf of the Board

T Iwata
Managing Director
15 November 2019

Independent auditors' report to the members of Green Metals UK Limited

Report on the audit of the financial statements

Opinion

In our opinion, Green Metals UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report (the "Annual Report"), which comprise: the Balance sheet as at 31 March 2019; the Statement of income and retained earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' report for the year ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Daniel Dennett (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge
18 November 2019

Chartered Accountants and Statutory Auditors
Uxbridge
October 2019

Statement of income and retained earnings for the year ended 31 March 2019

	Note	2019 £	2018 £
Turnover	2	**10,061,699**	9,904,569
Cost of sales		**(7,393,243)**	(7,598,797)
Gross profit		**2,668,456**	2,305,772
Administrative expenses		**(870,693)**	(819,676)
Other operating income	3	**116,531**	87,408
Operating profit		**1,914,294**	1,573,504
Interest receivable and similar income	4	**14,008**	6,135
Interest payable and similar expenses	5	**-**	-
Profit before taxation	8	**1,928,302**	1,579,639
Tax on profit	9	**(403,955)**	(300,159)
Profit for the financial year	17	**1,524,347**	1,279,480
Retained earnings as at 1 April		**1,803,288**	1,574,808
Dividends paid		**(1,595,000)**	(1,051,000)
Retained earnings as at 31 March	17	**1,732,635**	1,803,288

The above results relate to continuing operations.

There is no material difference between the profit before taxation and the profit for the financial year stated above and their historical cost equivalents.

Green Metals UK Limited

Balance sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	11	**1,805,784**	2,112,004
Current assets			
Stocks	12	**12,231**	13,652
Debtors	13	**3,901,190**	3,322,785
Cash at bank and in hand		**1,001**	761
		3,914,422	3,337,198
Creditors: amounts falling due within one year	14	**(1,973,779)**	(1,631,830)
Net current assets		**1,940,643**	1,705,368
Total assets less current liabilities		**3,746,427**	3,817,372
Provisions for liabilities	15	**(13,792)**	(14,084)
Net assets		**3,732,635**	3,803,288
Capital and reserves			
Called up share capital	16	**2,000,000**	2,000,000
Profit and loss account	17	**1,732,635**	1,803,288
Total shareholders' funds	18	**3,732,635**	3,803,288

The financial statements on pages 6 to 18 were approved by the directors on 15 November 2019 and were signed on its behalf by:

T Iwata
Managing Director

Green Metals UK Limited **Registered no. 6484632**

Notes to the financial statements for the year ended 31 March 2019

1 Accounting policies

General Information

The principal activity of the company is to collect, handle and arrange recycling of scrap metal and non-metal waste. The company is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is 6th Floor, 88 Wood Street, London, EC2V 7DA.

Statement of compliance

The financial statements of Green Metals UK Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Companies Act 2006.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared on the going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value, and in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom.

Going concern

On the basis of their assessment of the company's financial position and resources, the directors believe that the Company is well placed to manage its business risks. Therefore the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated.

As a qualifying member, the Company has taken advantage of the following exemptions:

i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;
ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;
iii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv) of FRS 102; and
iv) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

Notes to the financial statements for the year ended 31 March 2019 (continued)

1 Accounting policies (continued)

Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

- Useful economic lives of intangible assets and tangible assets (Sections 18 and 17)
The annual amortisation or depreciation charge for intangible and tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of assets. The useful economic lives and residual values are assessed annually. They are amended when necessary to reflect current estimates, based on technological advancements, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of tangible assets and note 1 for the useful economic lives for each class of asset.

Tangible assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and costs attributable to brining the asset to its working condition for its intended use.

Depreciation is calculated so as to write off the cost of tangible fixed assets less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal useful economic lives used for this purpose are:

Building:	25 years
Plant and machinery:	4 - 10 years
Office equipment:	4 years
Fixtures and Furniture:	4 years
IT equipment:	4 years
Motor vehicle	4 years

The carrying values of tangible fixed assets are reviewed for impairment if events and changes in circumstances indicate carrying values may not be recoverable.

Cash flow statement

The company is a wholly owned subsidiary company of a group headed by Toyota Tsusho Corporation, and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption from the requirement to prepare a statement of cash flows as required within FRS 102 paragraph 3.17(d).

Notes to the financial statements for the year ended 31 March 2019 (continued)

1 Accounting policies (continued)

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated using the closing rate on the balance sheet date. Exchange differences on such items and on transactions completed in the ordinary course of business are dealt with in the profit and loss account.

Turnover

Turnover represents the value of services supplied excluding value added tax and trade discounts.

The company recognises turnover when the amount of turnover can be reliably measured, it is probable that future economic benefits will flow to the company and when the company has delivered products or services to the customers.

Other operating income

Other operating income is a management fee from group undertakings and recognised as the service is rendered.

Debtors

Debtors are stated in the balance sheet at estimated net realisable value. Net realisable value is the invoiced amount less provisions for bad and doubtful debtors. Provisions are made specifically against debtors where there is evidence of an inability to pay.

Stocks

Stocks are stated at the lower of cost and net realisable value. In general cost is determined on a first-in-first-out basis and includes transport and handling costs. Net realisable value is determined as the estimated selling price less costs of disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Notes to the financial statements for the year ended 31 March 2019 (continued)

1 Accounting policies (continued)

Operating leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the life of the lease.

Pension costs

The company contributes to a defined contribution pension scheme on behalf of certain employees, the assets of which are held separately from those of the company in a group pension scheme. Contributions payable are charged to the profit and loss account in the year in which they are incurred. The company does not operate a defined benefit pension scheme for its employees.

2 Turnover

Turnover is derived entirely from the company's principal activity which arose in the United Kingdom.

3 Other operating income

	2019	2018
	£	£
Management fee from group undertakings	**116,531**	87,408

4 Interest receivable and similar income

	2019	2018
	£	£
Interest receivable – group undertakings	**14,008**	6,135

5 Interest payable and similar expenses

	2019	2018
	£	£
Interest payable – group undertakings	-	-
Interest payable – other	-	-
	-	-

Notes to the financial statements for the year ended 31 March 2019 (continued)

6 Directors' emoluments

	2019	2018
	£	£
Aggregate emoluments	**126,930**	117,889

The above amount relates to one (2018: one) director for his services for the company and, who is on the company's own payroll. The amount does not include the remaining directors who are remunerated directly from the parent company. These directors are also directors of a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Retirement benefits are accruing to no (2018: no) director under a money purchase pension scheme.

The highest paid director received emoluments as follows:

	2019	2018
	£	£
Aggregate emoluments	**126,930**	117,889

7 Employee information

The average monthly number of persons (including executive directors) employed by the company during the financial year was:

	2019	2018
	Number	Number
By activity		
Operation	**31**	32
General administration	**11**	11
	42	43

	2019	2018
Staff costs	£	£
Wages and salaries	**1,195,091**	1,232,800
Social security costs	**122,982**	125,663
Other pension costs	**71,216**	55,106
	1,389,289	1,413,569

Notes to the financial statements for the year ended 31 March 2019 (continued)

8 Profit before taxation

Profit before taxation is stated after charging:

	2019	2018
	£	£
Auditors' remuneration:		
- fees payable for the audit	**11,145**	11,520
Depreciation of tangible fixed assets		
-owned assets	**344,587**	348,549
Impairment of trade receivables	**-**	9,350
Operating lease charges:		
- land and buildings	**53,317**	53,317
- other	**34,201**	85,995
Profit on disposal of tangible assets	**-**	(417)
Foreign exchange gain	**(121)**	(89)

Total stock charged against profit before taxation for the year was £ 5,565,193 (2018: £ 5,808,048).

Notes to the financial statements for the year ended 31 March 2019 (continued)

9 Tax on profit

(a) Analysis of charge in the financial year	**2019**	2018
	£	£
Current tax:		
UK corporation tax on profits of the year	**403,533**	332,135
Adjustments in respect of previous years	**714**	-
Total current tax	**404,247**	332,135
Deferred tax:		
Origination and reversal of timing differences	**(292)**	(31,976)
Effect of tax rate change	**-**	-
Adjustments in respect of previous years	**-**	-
Total deferred tax (note 15)	**(292)**	(31,976)
Tax on profit	**403,955**	300,159

(b) Factors affecting tax charge for the financial year

The tax assessed for the financial year is the higher (2018: higher) than the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:	**2019**	2018
	£	£
Profit before taxation	**1,928,302**	1,579,639
Profit multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	**366,377**	300,131
Effects of:		
Non-deductible expenses	**236**	557
Other timing differences	**204**	-
Depreciation in excess of capital allowance	**36,716**	-
Adjustments in respect of previous years	**714**	(529)
Origination and reversal of timing differences	**(292)**	-
Total tax charge for the year	**403,955**	300,159

Changes to the UK corporation tax rate were substantively enacted as part of the Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted rates and reflected in these financial statements.

Notes to the financial statements for the year ended 31 March 2019 (continued)

10 Dividends

	2019	2018
	£	£
Dividends paid of £ 0.798 pence (2018: £ 0.526 pence) per ordinary share	**1,595,000**	1,051,000

A dividend of £1,526,000 (£0.763 pence per ordinary share) will be proposed at the board meeting in November 2019 and if approved is likely to be paid in November 2019.

11 Tangible assets

	Building	Plant and Machinery	Office equipment	Fixtures and Furniture	Motor vehicle	IT equipment	Total
	£	£	£	£	£	£	£
Cost							
At 1 April 2018	2,829,764	2,199,233	8,066	193,183	98,504	84,978	5,413,728
Additions	-	36,604	-	-	-	1,763	38,367
Disposal	-	-	-	-	-	-	-
At 31 March 2019	**2,829,764**	**2,235,837**	**8,066**	**193,183**	**98,504**	**86,741**	**5,452,095**
Accumulated Depreciation							
At 1 April 2018	1,018,944	1,971,027	8,066	176,737	44,935	82,015	3,301,724
Charge for the year	113,182	202,837	-	6,094	19,942	2,532	344,587
Disposal	-	-	-	-	-	-	-
At 31 March 2019	**1,132,126**	**2,173,864**	**8,066**	**182,831**	**64,877**	**84,547**	**3,646,311**
Net book amount							
At 31 March 2019	**1,697,638**	**61,973**	**-**	**10,352**	**33,627**	**2,194**	**1,805,784**
At 31 March 2018	1,810,820	228,206	-	16,446	53,569	2,963	2,112,004

12 Stocks

	2019	2018
	£	£
Finished goods	**12,231**	13,652
	12,231	13,652

The replacement cost of stock does not materially differ from the amount shown.

Notes to the financial statements for the year ended 31 March 2019 (continued)

13 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	**1,646,816**	1,268,460
Amounts owed by group undertakings	**2,239,472**	2,028,145
Prepayments and accrued income	**14,902**	26,180
	3,901,190	3,322,785

Amounts owed by group undertakings in the normal course of trade are unsecured, interest free and have no fixed date of repayment. The company also has amounts owed by group undertakings which carry interest at floating rates based on LIBOR.

14 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	**276,568**	206,172
Amounts owed to group undertakings	**101,151**	56,816
Other taxation and social security	**319,628**	240,392
Other creditors	**35,386**	40,056
Corporation tax	**236,541**	182,339
Accruals and deferred income	**1,004,505**	906,055
	1,973,779	1,631,830

Amounts owed to group undertakings in the normal course of trade are unsecured, interest free and have no fixed date of repayment.

Notes to the financial statements for the year ended 31 March 2019 (continued)

15 Provisions for liabilities

Deferred tax liability

	2019	2018
	£	£
Opening deferred tax liability	**14,084**	46,060
Charge to profit and loss account	**(292)**	(31,976)
Closing deferred tax liability	**13,792**	14,084

The deferred tax liability recognised in the financial statements is as follows:

	2019	2018
	£	£
Accelerated capital allowances	**13,792**	14,084

16 Called up share capital

	2019	2018
	£	£
Allotted, called up and fully paid		
2,000,000 ordinary shares of £1 each (2018: 2,000,000)	**2,000,000**	2,000,000

17 Profit and loss account

	2019	2018
	£	£
1 April	**1,803,288**	1,574,808
Profit for the financial year	**1,556,677**	1,279,480
Dividend paid	**(1,595,000)**	(1,051,000)
31 March	**1,764,965**	1,803,288

18 Reconciliation of movements in shareholders' funds

	2019	2018
	£	£
Opening shareholders' funds	**3,803,288**	3,574,808
Profit for the financial year	**1,524,347**	1,279,480
Dividend paid	**(1,595,000)**	(1,051,000)
Closing shareholders' funds	**3,732,635**	3,803,288

Notes to the financial statements for the year ended 31 March 2019 (continued)

19 Operating lease commitments

At 31 March the company had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2019	2018	**2019**	2018
	£	£	**£**	£
Within one year	**53,317**	17,772	**34,426**	40,726
Within two to five year	**213,266**	-	**32,550**	66,568
More than five years	**293,241**	-	**-**	-
	559,824	17,772	**66,976**	107,294

20 Pension commitments

The company has a defined contribution pension scheme. The assets of the scheme are held separately from those of the company, in an independently administered fund. Under a defined contribution scheme, benefits depend on the contribution levels and the emerging investment performance. The company contributions to this scheme in the year ended 31 March 2019 totalled £ 45,026 (2018: £ 32,270). At the end of this year, a contribution of £ 5,928 (2018: £ 4,856) was outstanding.

21 Immediate and ultimate parent company

The immediate parent company is Toyota Tsusho U.K. Limited, a company registered in the United Kingdom.

The ultimate parent undertaking and controlling party is Toyota Tsusho Corporation, a company incorporated in Japan. Toyota Tsusho Corporation is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 March 2019. The consolidated financial statements of Toyota Tsusho Corporation are available from 9-8 Meieki 4-chome, Nakamura Ku 450-8575, Nagoya, Japan.

22 Related party transactions

The company is a wholly owned subsidiary of a group headed by Toyota Tsusho Corporation and as such has availed of the exemption contained in FRS 102 in respect of related party transactions, not to disclose intra-group transactions with other companies that are wholly owned within the Group.